

16 July 1954

MEMORANDUM FOR: Lieutenant General Daniel Moce  
Chairman

IN CARE OF : Mr. John W. Sipes  
Security Counsel  
Department of State

SUBJECT : John Paton Davies

1. With the permission of the Department of State, the testimony given by General Walter Bedell Smith in the matter of John Paton Davies was read on 14 July 1954. This review included the transcript of his testimony before the President's Loyalty Review Board (the "Bingham Board") and his more recent testimony in the current proceedings under Executive Order 10450.

2. General Smith's knowledge of Mr. Davies and of matters pertinent to his case was derived principally, according to his testimony, from the fact that Mr. Davies was on the Embassy staff in Moscow when the General was Ambassador to Russia and from the information obtained from this Agency while General Smith was Director of Central Intelligence. We can, of course, take no position on General Smith's statements of fact, conclusions, and opinions regarding Mr. Davies based on information derived from sources other than this Agency.

3. General Smith's testimony, derived from information provided while he was Director of Central Intelligence, relates primarily to the so-called Davies-  controversy which took place before he became Director. According to his own testimony, General Smith's knowledge in this regard was acquired solely from within the Agency. The General testified to his personal conclusions and opinions relating to the feasibility and validity of the Davies' proposals which we are not in a position to confirm or contradict, but in general it is the position of this Agency that there is no information in its possession which is inconsistent with the information provided by General Smith, except for minor factual

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discrepancies which may be apparent from the record before the Board. Furthermore, from our knowledge of the testimony given and the documents made available to the Board, we possess no additional information of any substance pertinent to the case before your Board.

4. We have received an inquiry through Mr. Sipes about a memorandum which was reported by [ ] to have been sent to this Agency by Mr. Davies or one of his staff adding the name of one [ ] to the list of others Mr. Davies had recommended to our attention. We had previously received a similar inquiry about such a memorandum and had made extensive searches of our files without locating either the memorandum itself or any other specific reference to it. We regret, therefore, that we are unable to comply with this request.

**LAWRENCE R. HOUSTON**  
General Counsel

OGC:LRH:jeb

cc: Director of Security  
OGC subject

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TO		INITIALS	DATE
1	Mr. John W. Sipes		
2	Security Counsel Department of State		
3			
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FROM		INITIALS	DATE
1	General Counsel		7/16/54
2			
3			

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☐ ACTION      ☐ DIRECT REPLY      ☐ RETURN  
☐ COMMENT      ☐ PREPARATION OF REPLY      ☐ DISPATCH  
☐ CONCURRENCE      ☐ RECOMMENDATION      ☐ FILE

Remarks: Would you make this memorandum available to the Board under such circumstances as you deem appropriate. I have discussed its substance with Mr. Shute, who believes it meets his needs.

Lawrence R. Houston